

**FOR CLERK USE ONLY**

City Council

Item No. _____

CITY COUNCIL/REDEVELOPMENT AGENCY AGENDA FACT SHEET

Human Resources/Risk Management

Department

August 11, 2010

Requested Date

1. Request:Council/RDA Approval ☒Other (specify) ☐Information Only/
Presentation ☐Hearing ☐**2. Requested Action:**

Approval of Letter of Intent to enter into a Memorandum of Understanding with the
Calexico Miscellaneous Employees Association/SEIU Local 221.

3. Fiscal Impact:Revenue: Increase ☐Decrease ☐

Source: _____

Amount: _____

Cost: Increase ☐Decrease ☒

Source: General Fund

Amount: \$226,443.00

Does Not Apply ☐**4. Reviewed By:**

Finance Dept. on _____

By: _____

Comments: _____

City Attorney on _____

By: _____

Comments: _____

Note: Back up must be submitted along with this form. Deadline is 5:00 p.m., 2 Fridays before the scheduled meeting date.

CLERK USE ONLY:

CITY COUNCIL DATE: _____

Action ☐Consent ☐Hearing ☐Filing ☐Presentation ☐Other(specify) ☐

Reviewed by: City Clerk _____

Date _____

City Manager _____

Date _____

CITY COUNCIL AGENDA REPORT

**SUBJECT: APPROVAL OF LETTER OF INTENT TO ENTER INTO A
MEMORANDUM OF UNDERSTANDING WITH THE CALEXICO
MISCELLANEOUS EMPLOYEES ASSOCIATION/SEIU LOCAL 221**

AGENDA DATE: August 11, 2010

**PREPARED BY: Victor M. Carrillo, City Manager and Rosalind Guerrero, Human
Resources Director**

APPROVED FOR AGENDA BY: Victor M. Carrillo, City Manager

RECOMMENDATION: Staff recommends Council approve this Letter of Intent.

FISCAL IMPACT: Fair share reduction in the amount of \$226,443.00

BACKGROUND:

The City and the Calexico Municipal Employees Association/SEIU Local 221 ("bargaining unit") were unable to reach agreement of a Memorandum of Understanding ("MOU") for the current fiscal year 2009-2010. The City's Implemented Last, Best and Final Offer imposed by City Council via Resolution 09-64 is the document currently governing the employment matters described therein between the City and the bargaining unit. The bargaining unit is formally represented by the Service Employees International Union Local 221, CTW, CLC ("SEIU"), as the exclusive bargaining agent for the bargaining unit.

The City's Negotiation Team, composed of the City Manager, Assistant City Manager, Finance Director, Human Resources Director, and a representative from the Office of the City Attorney, and representatives of the bargaining unit held "meet and confer" meetings from February 2010 to August 2010, in an effort to reach agreement on a new Memorandum of Understanding.

During the meet and confer process, the City and the bargaining unit reached tentative agreement on several proposals, specifically:

- A. CMEA/SEIU shall take all actions necessary to dismiss PERB complaint LA-CE-624-M immediately upon Council ratification of this Letter of Intent on August 11, 2010; submit proof of such dismissal to the City no later than August 20, 2010; and shall execute a full release of claims as they pertain to the PERB complaint and Fiscal Year 2010-2011 MOU negotiations no later than August 20, 2010 on the form provided by the City;
- B. The parties agree to a new MOU for the period of July 1, 2010 through June 30, 2011;
and

- C. Employees agree there will be no COLAS or salary adjustments in Fiscal Year 2010-2011; and
- D. Employees agree to a work furlough in the amount of 20 days (160) hours, to be accomplished by working a 4/36 workweek as described in Exhibit A attached to the Letter of Intent and incorporated herein; and
- E. Employees agree to eliminate sick leave buy back option for the term of the MOU; and
- F. For the term of the MOU, Employees agree to freeze all merit increases not paid as of pay period ending July 27, 2010; and
- G. The parties agree to a re-opener in 6 months to discuss the City's financial status and budget constraints; and
- H. Parties agree to delete language from Article 12, Section 7 – Payroll Deductions eliminating the \$5.00 biweekly processing fee; and
- I. Parties agree to allow those employees working with hazardous materials at the sewer plant to use the last 15 minutes of their shift to change out of their uniforms; and
- J. Parties will continue to meet and confer regarding Layoff/Reduction in Force procedures.

DISCUSSION:

The attached Letter of Intent and Exhibit A was tentatively agreed to on August 5, 2010 by the negotiating teams of both parties. SEIU/CMEA agreed to submit the Letter of Intent to the membership for ratification no later than August 10, 2010. If the SEIU/CMEA membership ratified the Letter of Intent prior to Council meeting, Staff recommends the City Council approve the Letter of Intent. Once approved by SEIU/CMEA and the City Council, the terms of the Letter of Intent will take effect immediately. After approval, both parties will continue to meet and confer to finalize the final language of the MOU which will be brought back to the Council for final approval as soon as it is finalized.

The Letter of Intent embodies the key items of the proposed MOU and also incorporates the items listed as A-J above that were already agreed to by the parties and are evidenced in the attached Letter of Intent and Exhibit A.

Attachment: Letter of Intent with Exhibit A

CITY COUNCIL RESOLUTION NO. _____
RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CALEXICO,
CALIFORNIA, APPROVING AND ADOPTING A LETTER OF INTENT TO
ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE
MEMBERS OF THE CALEXICO MUNICIPAL EMPLOYEES
ASSOCIATION/SERVICE EMPLOYEES INTERNATIONAL UNION LOCAL
221, CTW, CLC

WHEREAS, Employer-Employee Relations for the City of Calexico (hereinafter, "City") are governed by California Government Code section 3500 through 3511, known as the Meyers-Milias-Brown Act, and Calexico City Council Resolution No. 2204, entitled: "Resolution of the City Council of the City of Calexico Pertaining to Employer-Employee Relations for the City of Calexico," dated July 7, 1970, which is also referred to as the "Employer-Employee Relations Resolution of the City of Calexico" (hereinafter, "Resolution 2204"); and

WHEREAS, the Calexico Municipal Employees (hereinafter, "bargaining unit") is formally represented by the Service Employees International Union Local 221, CTW, CLC (hereinafter, "SEIU"), as the exclusive bargaining agent for the bargaining unit; and

WHEREAS, the City and the Calexico Municipal Employees Association/SEIU Local 221 ("SEIU/CMEA") were unable to reach agreement for a Memorandum of Understanding ("MOU") for the current fiscal year 2009-2010; and

WHEREAS, the City's Implemented Last, Best and Final Offer imposed by City Council via Resolution 09-64 is the document currently governing the employment matters described therein between the City and SEIU/CMEA; and

WHEREAS, the City is experiencing a severe financial crisis and if the City maintains the status quo, estimated General Fund appropriations for fiscal year 2010-2011 exceed revenues by approximately \$5.4 million based on various issues including, declining property tax revenue, declining sales tax revenue, and a recent approval by the State to take some of the City's money; and

WHEREAS, the City, represented by the City Manager, Assistant City Manager, Finance Director, Human Resources Director and a representative from the Office of the City Attorney, and representatives of the bargaining unit and SEIU/CMEA held "meet and confer" meetings regularly between February 2010 through August 2010 in an effort to reach agreement on a new Memorandum of Understanding; and

WHEREAS, during the meet and confer process, the City and the bargaining unit reached tentative agreement on several provisions, which are signed, attached as **Exhibit 1** to this Resolution and fully incorporated by reference herein; and

WHEREAS, the attached Letter of Intent (Exhibit 1) has been ratified and approved by the membership of the bargaining unit;

NOW, THEREFORE, the City Council of the City of Calexico hereby resolves, determines, and orders as follows:

SECTION 1: The above recitals are true and correct.

SECTION 2: The City Council hereby approves the tentative agreements, attached as **Exhibit 1** to this Resolution and more fully described herein, as agreed-upon terms and conditions of employment of members of the bargaining unit. These agreed-upon terms and conditions of employment are as follows:

1. SEIU/CMEA shall take all actions necessary to dismiss PERB complaint LA-CE-624-M immediately upon Council ratification of this Letter of Intent on August 11, 2010; submit proof of such dismissal to the City no later than August 20, 2010; and shall execute a full release of claims as they pertain to the PERB complaint and Fiscal Year 2010-2011 MOU negotiations no later than August 20, 2010 on the form provided by the City;
2. The parties agree to a new MOU for the period of July 1, 2010 through June 30, 2011; and
3. Employees agree there will be COLAS or salary adjustments for Fiscal Year 2010-2011; and
4. Employees agree to a work furlough in the amount of 20 days (160) hours, to be accomplished by working a 4/36 workweek as described in Exhibit A attached to the Letter of Intent and incorporated herein; and
5. Employees agree to eliminate sick leave buy back option for the term of the MOU; and
6. For the term of the MOU, Employees agree to freeze all merit increases not paid as of pay period ending July 27, 2010; and
7. The parties agree to a re-opener in 6 months to discuss the City's financial status and budget constraints; and

8. Parties agree to delete language from Article 12, Section 7 – Payroll deductions eliminating the \$5.00 biweekly processing fee; and
9. Parties agree to allow those employees working with hazardous materials at the sewer plant to use the last 15 minutes of their shift to change out of their uniforms; and
10. Parties will continue to meet and confer regarding Layoff/Reduction in Force procedures.

Be it further resolved that the City Council directs the City Manager, or his designee, to take any and all necessary and appropriate actions to immediately implement these agreed-upon terms and conditions of employment.

SECTION 3: No provision within this Resolution is intended to alter, amend, or modify any employee rights, provided by Resolution 2204, California Government Code section 3505.4, and other applicable and relevant federal, state, and local law.

PASSED, APPROVED, AND ADOPTED by the City Council of the City of Calexico at its meeting held on the 11th day of August 2010, by the following roll call vote:

AYES:

NOES:

ABSENT:

JOHN MORENO, MAYOR

ATTEST:

LOURDES CORDOVA, CITY CLERK

APPROVED AS TO FORM:

JENNIFER M. LYON, CITY ATTORNEY

Letter of Intent to Enter into a Memorandum of Understanding

WHEREAS, the Calexico Municipal Employees' Association ("CMEA") is formally represented by the Service Employees International Union Local 221, CTW, CLC ("SEIU"), as the exclusive bargaining agent for the bargaining unit; and

WHEREAS, the City and SEIU/CMEA were unable to reach agreement for a Memorandum of Understanding ("MOU") for the current fiscal year 2009-2010; and

WHEREAS, the City's Implemented Last, Best and Final Offer imposed by City Council via Resolution 09-64 is the document currently governing the employment matters described therein between the City and SEIU/CMEA; and

WHEREAS, the parties held "meet and confer" sessions in an effort to reach an agreement on a new MOU; and

WHEREAS, during the meet and confer process, the City and SEIU/CMEA reached tentative agreement on a Fiscal Year 2010-2011 MOU; and

WHEREAS, as a condition to the City's agreement to the new MOU, SEIU/CMEA has agreed to dismiss PERB complaint LA-CE-624-M;

NOW THEREFORE, the City Manager and SEIU/CMEA mutually agree as follows:

- 1.) To the provisions of this Letter of Intent and **Exhibit A** attached hereto subject to the following conditions:
 - (i.) The membership of SEIU/CMEA shall approve this Letter of Intent and **Exhibit A** attached hereto no later than August 10, 2010 and;
 - (ii.) SEIU/CMEA shall take all actions necessary to dismiss PERB complaint LA-CE-624-M immediately upon Council ratification of this Letter of Intent on August 11, 2010; submit proof of such dismissal to the City no later than August 20, 2010; and shall execute a full release of claims as they pertain to the PERB complaint and Fiscal Year 2010-2011 MOU negotiations no later than August 20, 2010 on the form provided by the City;
- 2.) The parties agree to a new MOU for the period of July 1, 2010 through June 30, 2011; and
- 3.) Employees agree there will be no COLAs or salary adjustments in Fiscal Year 2010-2011; and
- 4.) Employees agree to a work furlough in the amount of 20 days (160 hours), to be accomplished by working a 4/36 workweek as described in the attached Exhibit A and incorporated herein; and
- 5.) Employees agree to eliminate sick leave buy back option for the term of the MOU; and

[Handwritten signatures and initials]

[Handwritten signature]

[Handwritten signatures and initials, including "6/5", "8/5", and "JH"]

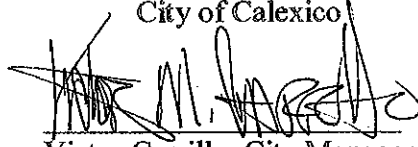
- 6.) For the term of the MOU, Employees agree to freeze all merit increases not paid as of payperiod ending July 27, 2010 ; and
- 7.) The parties agree to a re-opener in 6 months to discuss the City's financial status and budget constraints; and.
- 8.) Parties agree to delete language from Article 12, Section 7- Payroll Deductions eliminating the \$5.00 biweekly processing fee; and
- 9.) Parties agree to allow those employees working with hazardous materials at the sewer plant to use the last 15 minutes of their shift to change out of their uniforms; and
- 10.) Parties will continue to meet and confer regarding Layoff/Reductions in Force procedures; and
- 11.) After signing below, SEIU/CMEA membership will ratify this Letter of Intent and Exhibit A no later than August 10, 2010;
- 12.) That the City will submit the Letter of Intent to the City Council for approval at the Special Council meeting on August 11, 2010, and after the City has been informed that the SEIU/CMEA membership has approved the Letter of Intent; and
- 13.) The provisions in this Letter of Intent shall go into effect only after Council issues approval at a City Council meeting; and
- 14.) Parties will continue to meet and confer to finalize the language of the MOU within a reasonable time period after execution of this Letter of Intent.

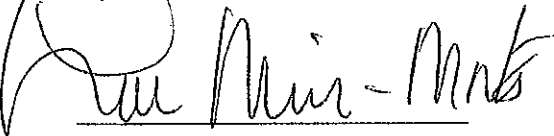
Executed on August 5, 2010 in Calexico, California by:

SEIU/CMEA :


City of Calexico

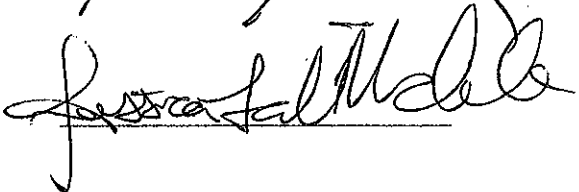

Lois Balfour, SEIU


Victor Carrillo, City Manager


Gloria Frijoles


Judith Escobar


Ruth Garcia


Jessica Salas

August 2010

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2 9 Hrs	3 9 Hrs	4 9 Hrs	5 9 Hrs	6 9/80 OFF	7
8	9 9 Hrs	10 9 Hrs End Old Payroll Cycle	11 9 Hrs Transition Pay Period	12 9 Hrs Payroll	13 OFF	14
15	16 9 Hrs	17 9 Hrs	18 9 Hrs	19 9 Hrs **	20 OFF New Pay Period End	21 Option #1 **Worked 54 Hrs. **Paid 72 Hrs. **Advance 18 Hrs. OPTION #2 **Worked 54 Hrs. **Paid 54 Hrs.
22	23 9 Hrs New Pay Period Cycle	24 9 Hrs	25 9 Hrs	26 9 Hrs Payroll	27 OFF	28
29	30 9 Hrs	31 9 Hrs				

EXHIBIT A

September 2010

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1 9 Hrs	2 9 Hrs Time Cards Due	3 OFF	4
5	6 9 Hrs Begin Pay Period HOLIDAY	7 9 Hrs	8 9 Hrs	9 9 Hrs Payroll	10 OFF	11
12	13 9 Hrs HOLIDAY	14 9 Hrs	15 9 Hrs	16 9 Hrs	17 OFF	18
19	20 9 Hrs Begin Pay Period	21 9 Hrs	22 9 Hrs	23 9 Hrs Payroll	24 OFF	25
26	27 9 Hrs	28 9 Hrs	29 9 Hrs	30 9 Hrs		

October 2010

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1 OFF	2
3	4 9 HRS Begin Pay Period	5 9 HRS	6 9 HRS	7 9 HRS Payroll	8 OFF	9
10	11 9 HRS	12 9 HRS	13 9 HRS	14 9 HRS	15 OFF	16
17	18 9 HRS Begin Pay Period	19 9 HRS	20 9 HRS	21 9 HRS Payroll	22 OFF	23
24	25 9 HRS	26 9 HRS	27 9 HRS	28 9 HRS	29 OFF	30
31						

November 2010

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1 9 HRS Begin Pay Period	2 9 HRS	3 9 HRS	4 9 HRS Payroll	5 OFF	6
7	8 9 HRS	9 9 HRS	10 9 HRS	11 9 HRS HOLIDAY	12 OFF	13
14	15 9 HRS Begin Pay Period	16 9 HRS	17 9 HRS	18 9 HRS Payroll	19 OFF	20
21	22 8 HRS	23 8 HRS	24 8 HRS	25 8 HRS HOLIDAY	26 8 HOLIDAY 40 Hrs. w/no pay deduction	27
28	29 9 HRS Begin Pay Period	30 9 HRS				

December 2010

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1 9 HRS	2 9 HRS Payroll	3 OFF	4
5	6 9 HRS	7 9 HRS	8 9 HRS	9 9 HRS	10 OFF	11
12	13 9 HRS Begin Pay Period	14 9 HRS	15 9 HRS	16 9 HRS Payroll	17 OFF	18
19	20 8 HRS	21 8 HRS	22 8 HRS	23 8 HRS	24 8-HOLIDAY 40 Hrs. w/no pay deduction	25
26	27 8 HRS Begin Pay Period	28 8 HRS	29 8 HRS	30 8 HRS Payroll	31 8-HOLIDAY 40 Hrs. w/no pay deduction	

January 2011

Sun	Mon	Tue	Wed	Thu	Fri	Sat
						1
2	3 9 HRS	4 9 HRS	5 9 HRS	6 9 HRS	7 OFF	8
9	10 9 HRS Begin Pay Period	11 9 HRS	12 9 HRS	13 9 HRS Payroll	14 OFF	15
16	17 9 HRS HOLIDAY	18 9 HRS	19 9 HRS	20 9 HRS	21 OFF	22
23	24 9 HRS Begin Pay Period	25 9 HRS	26 9 HRS	27 9 HRS Payroll	28 OFF	29
30	31 9 HRS					

February 2011

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1 9 HRS	2 9 HRS	3 9 HRS	4 OFF	5
6	7 9 HRS Begin Pay Period	8 9 HRS	9 9 HRS	10 9 HRS Payroll	11 OFF	12
13	14 9 HRS HOLIDAY	15 9 HRS	16 9 HRS	17 9 HRS	18 OFF	19
20	21 9 HRS Begin Pay Period	22 9 HRS	23 9 HRS	24 9 HRS Payroll	25 OFF	26
27	28 9 HRS					

March 2011

Sun	Mon	Tue	Wed	Thu	Fri	Sat
		1 9 HRS	2 9 HRS	3 9 HRS	4 OFF	5
6	7 9 HRS Begin Pay Period	8 9 HRS	9 9 HRS	10 9 HRS Payroll	11 OFF	12
13	14 9 HRS	15 9 HRS	16 9 HRS	17 9 HRS	18 OFF	19
20	21 9 HRS Begin Pay Period	22 9 HRS	23 9 HRS	24 9 HRS Payroll	25 OFF	26
27	28 9 HRS	29 9 HRS	30 9 HRS	31 9 HRS HOLIDAY		

April 2011

Sun	Mon	Tue	Wed	Thu	Fri	Sat
					1 OFF	2
3	4 9 HRS Begin Pay Period	5 9 HRS	6 9 HRS	7 9 HRS Payroll	8 OFF	9
10	11 9 HRS	12 9 HRS	13 9 HRS	14 9 HRS	15 OFF	16
17	18 9 HRS Begin Pay Period	19 9 HRS	20 9 HRS	21 9 HRS Payroll Deduct Final (1) HR	22 OFF	23
24	25 9 HRS	26 9 HRS	27 9 HRS	28 9 HRS	29 OFF	30

May 2011

Sun	Mon	Tue	Wed	Thu	Fri	Sat
1	2 9 HRS Begin Pay Period	3 9 HRS	4 9 HRS	5 9 HRS Payroll	6 OFF	7
8	9 9 HRS	10 9 HRS	11 9 HRS	12 9 HRS	13 OFF	14
15	16 9 HRS Begin Pay Period	17 9 HRS	18 9 HRS	19 9 HRS Payroll	20 OFF	21
22	23 9 HRS	24 9 HRS	25 9 HRS	26 9 HRS	27 OFF	28
29	30 9 HRS HOLIDAY Begin Pay Period	31 9 HRS				

June 2011

Sun	Mon	Tue	Wed	Thu	Fri	Sat
			1 9 HRS	2 9 HRS Payroll	3 OFF	4
5	6 8 HRS	7 8 HRS	8 8 HRS	9 8 HRS	10 8 HRS	11
12	13 9 HRS Begin Pay Period	14 9 HRS	15 9 HRS	16 9 HRS Payroll	17 8 HRS	18
19	20 9 HRS	21 9 HRS	22 9 HRS	23 9 HRS	24 9/80	25
26	27 9 HRS Begin Pay Period	28 9 HRS	29 9 HRS	30 9 HRS Payroll		